1 CITY OF HOMER 2 **HOMER, ALASKA** 3 City Manager 4 **RESOLUTION 16-116** 5 6 A RESOLUTION OF THE HOMER CITY COUNCIL APPROVING AN 7 ASSIGNMENT OF LEASE FOR BOB'S TROPHY CHARTERS ON 8 TRACT 1-B AND AWARDING TODD STRAND, DBA BOB'S TROPHY CHARTERS, A TWENTY-YEAR LEASE WITH TWO, FIVE-YEAR 9 OPTIONS FOR TRACT 1-B, FISHING HOLE SUBDIVISION NO. 2, 10 WITH AN ANNUAL BASE RENT OF \$6,256.80, AND AUTHORIZING 11 12 THE CITY MANAGER TO MOVE FORWARD WITH LEASE 13 NEGOTIATIONS AND EXECUTE THE APPROPRIATE DOCUMENTS. 14 15 WHEREAS, David and Diane Morris, long-time owners of Alaska High Hopes - Bob's Trophy Charters, have reached a tentative agreement to sell the building and business to Mr. 16 Todd Strand, who wishes to continue operating Bob's Trophy Charters as a fishing charter 17 18 business on the Homer Spit; and 19 WHEREAS, Per Chapter 13.3 of the City's Lease Policies and Procedures, Mr. Strand has 20 submitted a new lease application form with his proposal and lease assignment request to 21 the City of Homer for a new, twenty-year lease in order to complete the business sale and 22 23 obtain the necessary financing; and 24 WHEREAS, The City Administration, the Lease Advisors, and the Port and Harbor 25 Advisory Commission have reviewed the application and proposal and found it to be 26 27 complete and responsive; and 28 WHEREAS, Mr. Strand has provided sufficient information to the City to show that 29 Bob's Trophy Charters is being sold to a responsible party and is able to continue operating it 30 as a viable fishing charter business; and 31 32 WHEREAS, The Lease Advisors and the Port and Harbor Advisory Commission 33 recommend to City Council that the lease assignment request be granted to Bob's Trophy 34 Charters, and a new twenty-year lease with two, five-year options be awarded to Mr. Todd 35 Strand, dba Bob's Trophy Charters, for Tract 1-B for the purpose of operating a fishing charter 36

business without the parcel being advertised through the Request for Proposals process.

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NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby approves the assignment of the lease on Tract 1-B to Mr. Todd Strand and that the City of Homer enter into a new, twenty-year term lease with two five-year options to renew with Mr. Todd Strand, dba Bob's Trophy Charters, for Tract 1-B, Fishing Hole Subdivision No. 2, with a base rent of \$6,256.80 per year (subject to change as determined by lease negotiations and/or ordered appraisal if needed), and authorizing the City Manager to move forward with lease negotiations and execute the appropriate documents.

BE IT FURTHER RESOLVED that this assignment and new lease is contingent upon any outstanding zoning code violations being resolved by David and Diane Morris before the completion and signing of a new lease with Mr. Strand.

PASSED AND ADOPTED by the Homer City Council this 21st day of November, 2016.

CITY OF HOMER

BRYAN ZAK

JO JOHNSON, MMC, CITY CLERK

ATTEST

Fiscal Note: Base lease will be \$6,256.80 annually, subject to change as determined by lease negotiations and/or ordered appraisal if needed, and is adjusted annually to keep pace with the Consumer Price Index.